

Portland's Street Parking Program

July 1994



Office of the City Auditor
Portland, Oregon



CITY OF
PORTLAND, OREGON
OFFICE OF CITY AUDITOR

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July 15, 1994

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Doug Bray, Trial Court Administrator, District Court of the State of Oregon
for Multnomah County

SUBJECT: Audit of the City of Portland's Street Parking Program

Attached is Audit Report #195 on the City's Street Parking Program. The Audit was conducted in accordance with our Fiscal Year 1993-94 Audit Schedule, and includes a summary of results at the beginning of the report.

We have reviewed drafts of the report with staff from Commissioner Blumenauer's Office, the Office of Transportation, the Bureau of Traffic Management, and the Administrator of the Multnomah County District Court. They are in agreement with the report's recommendations. Written responses from Commissioner Blumenauer and Court Administrator Doug Bray are included at the back of the report.

We hope this report will give City Council, managers, and the general public a better understanding of the City's street parking program, and some ideas and suggestions for improvement.

We appreciate the cooperation and assistance we received from the Bureau of Traffic Management and the District Court in conducting this audit and in preparing the report.

Barbara Clark, CPA
City Auditor

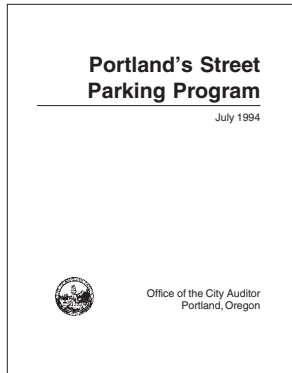
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A Report by the Audit Services Division
Report #195

Office of the City Auditor
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Production/Design

This report was produced in-house using desktop publishing software on IBM and compatible personal computers, and a Postscript laser printer. Aldus Pagemaker 5.0 for Windows was used to produce the finished product. Tables were created manually using Pagemaker, while Wordperfect 5.1 and ABC Flowcharter 1.13 were used to enter text and produce flowcharts.

Desktop Publishing: Robert Cowan

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Summary

The City Auditor directed the Audit Services Division to conduct this audit of the City of Portland's Street Parking Program. The objectives of the study were to evaluate the program's internal control systems, to test compliance with relevant laws and regulations, and to review the deployment and supervision of parking patrol deputies. We conducted the study in accordance with generally accepted government auditing standards.

Background

The Parking Program promotes safety and available parking by enforcing turnover of on-street parking and regulating parking throughout the City of Portland. The Parking Program is administered by two Divisions within the Bureau of Traffic Management of the Office of Transportation. The Parking Patrol Division checks parking compliance in metered and non-metered areas by patrolling City streets, issuing parking citations, and responding to citizen requests for parking enforcement. The Parking Management Division ensures that meters are in good working condition and protects the security of meter cash by monitoring the agreement with a private company to collect, count, and deposit meter coins in the City Treasury.

State law gives the State District Court in Multnomah County responsibility for collecting parking citation revenues, adjudicating disputed parking tickets, and preparing a list of vehicles to be towed due to unpaid tickets. In accordance with State statutes and City ordinances, the City and State share the proceeds of parking citation fines.

The Parking Patrol Program has a FY 1993-94 budget of approximately \$3.4 million and will recover over \$8.3 million in meter and citation revenues. Revenues not used to support the program can be used for other purposes within the Office of Transportation.

**Parking Program
Achieves Parking
Turnover Goal**

The central objective of the City's Parking Program is to ensure that vehicles move frequently enough to provide sufficient available parking. The Program attempts to encourage parkers to move within the designated time limit of the space at least 85 percent of the time in metered areas and 82 percent of the time in non-metered areas. Our review of the "turnover rate" in FY 1993 showed that average parking space turnover was approximately 90 percent.

**Parking Meter Cash
and Equipment Are
Safe from Theft and
Abuse**

Sufficient controls are in place and working as intended to ensure that parking meter cash is properly collected, controlled, and accounted for. In addition, parking meter equipment is reasonably secure and meter keys are safeguarded.

Our review shows that the vendor hired and monitored by the Parking Management Division has implemented effective systems to collect and process coins. The Division

monitors meter collection and deposits on a consistent basis in order to identify unusual fluctuations in meter revenues. The Division has purchased new machines and employed revised maintenance and construction practices to respond to meter thefts and vandalism in prior years.

Random tests of meters throughout the downtown area show that meters are working as intended and coins are being accurately processed through the collection system.

**Opportunities to
Collect More Parking
Citation Revenue**

Although the City and State shared over \$6.6 million in parking citation revenues in the past two years, we identified over \$4.4 million in outstanding unpaid parking tickets. We believe that more effective collection efforts could increase the average collection rate from the existing 70 percent rate to over 80 percent. Collecting at least 80 percent of all parking citations would increase annual revenues by \$500,000.

Other jurisdictions we talked to use a variety of techniques to improve parking citation collection. For example, cities in other states use collection agencies, report past due amounts to credit agencies, and issue frequent and timely reminders to violators. A one-time amnesty period for severely past due citations produced almost two hundred thousand dollars for one city.

Although the City and Multnomah County District Court have discussed several options for improving parking citation collection, current State laws restrict the Court from implementing revised collection methods.

**Some Improvements
May Help Deputies
Better Use Patrol
Time**

The Parking Program effectively schedules and deploys deputies to ensure achievement of space turnover goals and to enforce parking rules. However, program performance has been hampered over the past several years by high sick leave and injury rates, significant patrol deputy downtime, variations in patrol deputy productivity, and low morale.

Most of these problem areas are currently being addressed by a new labor contract effective July 1, 1994, and by implementation of loss control and safety plans. Program managers have also clarified and revised job duties and performance expectations. Management may wish to consider further changes to enhance these improvements.

Recommendations

We make a number of recommendations on page 29 of this report to improve the management of the Parking Program and to increase parking citation revenue collection. In general, we recommend:

- changes in State law that authorize more effective parking citation collection methods
- improved information sharing between the City Parking Program and the State District Court
- further improvement by management to make more productive use of patrol deputy time

Chapter 1 Introduction

This audit report covers our review of the street Parking Program within the Bureau of Traffic Management of the Office of Transportation. This is the second in a series of audits in which we are assessing the adequacy of management controls established by City programs and functions. Parking operations in Portland and in other cities handle significant amounts of cash and have a high risk of fraud, waste, and abuse. We conducted this audit in accordance with generally accepted government auditing standards and limited the scope of our review to those areas specified in the Audit Objectives, Scope, and Methodology section of the report.

City Street Parking Program

In accordance with State Statute, City Charter, and Title 16 of the City Code, the City is authorized to establish traffic laws and erect traffic control devices to control parking within the City of Portland. The Code authorizes the City Traffic Engineer to develop and implement the Bureau of Traffic Management Rules and Procedures Manual. The Commissioner-in-Charge of the Bureau or the City Council may amend the Manual at any time.

Anyone parking a vehicle in the City must comply with its laws unless otherwise directed by an authorized officer.

Currently the Traffic Division of the Bureau of Police is primarily responsible for enforcement of traffic regulations, while the enforcement of parking regulations is delegated to the Parking Program of the Bureau of Traffic Management.

The principal goal of the Parking Program is to promote safe, available parking through enforcement of turnover of on-street spaces. This program is administered by two separate divisions – Parking Patrol and Parking Management. See the organizational chart on page eight.

**Parking Management
Division**

The Parking Management Division is responsible for collecting meter coins and maintaining meters in good condition. The Division contracts with Oregon Armored Services to collect the meter coins, count and process cash, and deposit it to the City's specified bank account. According to the Parking Management Division, the contractor is monitored by field observations, analysis of repair reports and work orders, inventory of meter keys, and audits of meter revenue and collection procedures.

Currently there are 5,491 parking meters in the downtown section of the City. The metered areas are bounded by S.W. Front Avenue, N.W. Everett, N.W. Irving, N.W. 15th, S.W. 14th, S.W. 18th, S.W. Grant, and Portland State University. Meter time limitations range from 15 minutes in commercial areas to 5 hours in areas outside of the downtown core. According to management, time limits vary in order to increase vehicle turnover, encourage short-term parking, provide longer-term parking in less congested areas, and improve safety in the public right of way.

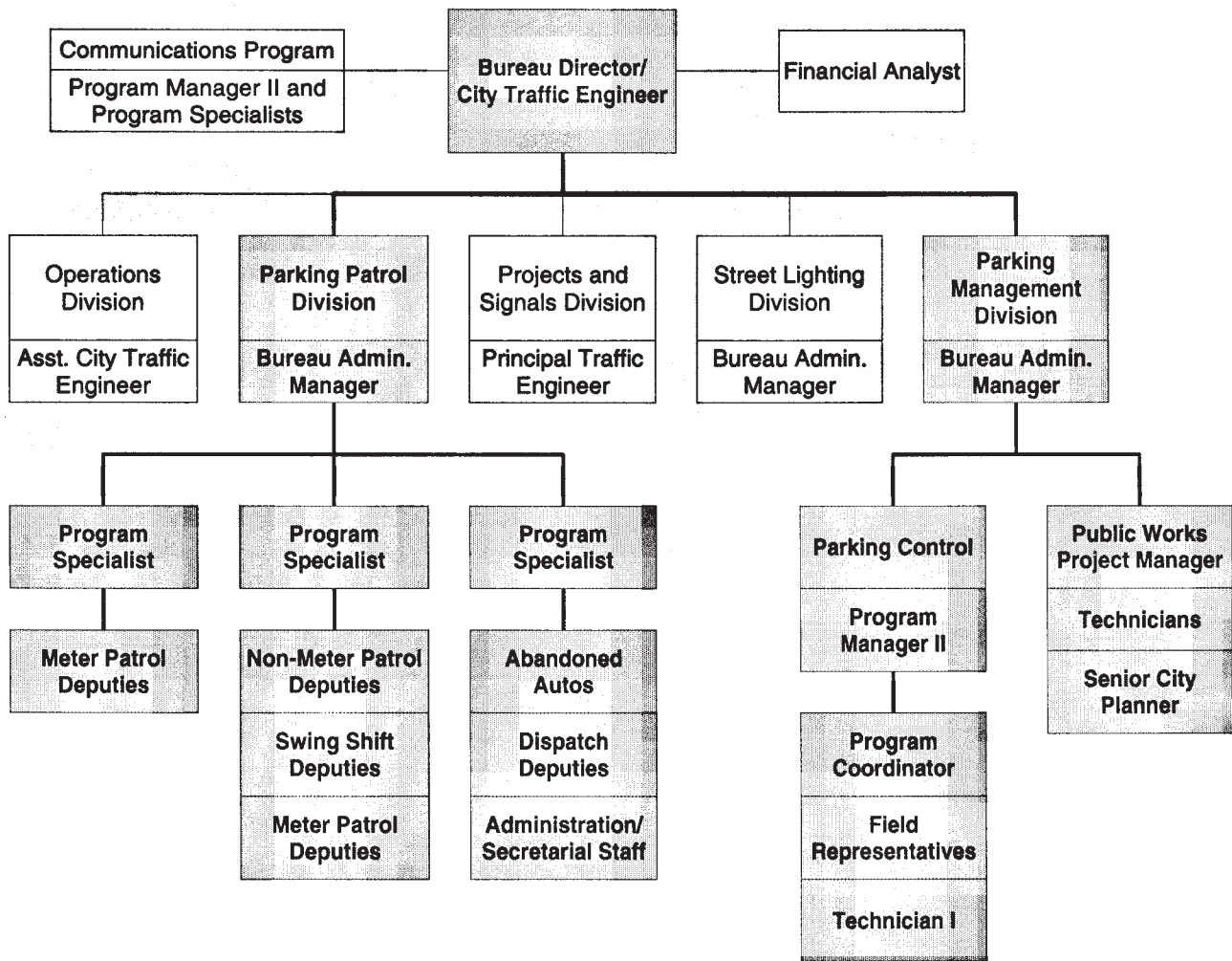
The average revenue received from each meter is \$3.32 per day out of a possible maximum of \$7.50. This amount is comparable to other cities we interviewed.

**Parking Patrol
Division**

The Parking Patrol Division manages parking enforcement with the objective of maximizing the availability of short-term, on-street parking spaces to support retail and commercial businesses and to support neighborhood livability. This is accomplished by monitoring compliance with parking regulations for metered and non-metered areas, issuing citations, responding to requests for vehicles to be towed, responding to other citizen enforcement requests, and involvement in parking programs (e.g., the Downtown Parking Circulation Policy, Neighborhood Parking Program, and the Abandoned Auto Program). The Parking Patrol Division issues approximately 1,000 parking citations per day and over 300,000 annually.

The Parking Patrol Division has a total of 48 budgeted positions, including 35 parking patrol deputies, 3 supervisors, a manager, and administrative staff. Parking deputies patrol Monday through Friday, with reduced monitoring of the metered areas on Saturday. Currently there are over 50 different parking violations with fines ranging from \$12 to \$100. Vehicles with unpaid parking citations may be towed at the request of the City. Towed vehicles are returned to the owner after payment of the citations and penalty, plus the towing fee.

**Figure 1
Organizational Chart
Bureau of Traffic Management, Parking Program**



SOURCE: Bureau of Traffic Management.

**Role of The State
Court System in
Multnomah County**

Prior to 1971, the City of Portland operated a municipal court and had responsibility for adjudicating parking, traffic, and misdemeanor violations. However, in 1971 the City closed the municipal court and the State Legislature transferred authority to the County District Court. By statute (ORS 46.045), the Legislature gave authority to the County, in counties with populations over 300,000, for conducting all court proceedings and collecting parking citation revenue for tickets issued by cities in the county. Consequently, since 1972, the Multnomah County District Court has collected payments for City of Portland parking fines, issued release orders for all vehicles towed by the City, maintained records of outstanding parking citations, and conducted all court proceedings involving parking citations. Parking citations are paid to the Court by mail or in person. If a citation is not dismissed or paid within the first 30 days, the fine is doubled and a courtesy notice is sent to the owner of the vehicle notifying him or her of the increase.

Since 1983, the Multnomah County District has been an agency of the State of Oregon. Fines imposed in parking cases, like fines imposed in traffic and criminal offenses are obligations owed to the State of Oregon. In accordance with an agreement between the City of Portland and the State of Oregon, the City pays all enforcement costs and the State Court pays for all adjudication and citation processing costs. In return the City and State share equally in the parking fines collected. The City may use parking citation revenue for any transportation purpose while the State Court returns the revenue to the State General Fund. No parking citation revenue is retained for operation of the District Court.

Budget and Staffing Trends

The Parking Program has a FY 93-94 budget of \$3,388,532, including the cost of staff from both Parking Patrol and Parking Management Divisions. The Program will recover approximately \$8,398,000 through parking meter receipts, parking citation fines, and carpool fees. Parking revenue received is not specifically dedicated to the Parking Program. In accordance with Title 16.10.500 of the City Code, such revenues may be spent within the Office of Transportation at management’s discretion.

Table one has a summary of the revenues, expenses and staffing of the Parking Program over the past 5 years.

Table 1 Street Parking Program Expenses and Revenue

Fiscal Year	Total Expenses*	Total Personnel*	Meter Revenue	Citation Revenue	Total Revenue***
1989-90	2,133,900	49	3,884,100	1,009,300	4,893,400
1990-91	2,510,900	54	4,149,800	1,797,000	5,946,800
1991-92	3,406,300	51	5,182,700	1,853,800	7,036,475
1992-93	2,930,000	51	5,870,000	1,782,800	7,652,800
1993-94 (estimated)	3,388,500	59**	6,223,000	2,175,000	8,398,000

SOURCE: City Code and Purchasing Manual.

* Total Expenses and Total Personnel includes both the Parking Patrol and Parking Management Divisions.

** The increase in personnel from FY 1992-93 to FY 1993-94 can be attributed to a transfer of five positions from the Bureau of Buildings Abandoned Vehicle Program plus three positions added to the Parking Patrol Division.

*** Total Revenue includes parking meter receipts, parking fines (citations), parking fees, carpool fees, and other miscellaneous parking fees.

**Audit Objectives,
Scope, and
Methodology**

The objectives of this audit were to (1) evaluate internal controls over the collection and handling of parking meter and parking citation revenues, (2) test compliance with applicable laws and regulations, and (3) review deployment and supervision of parking patrol deputies. We did not audit traffic or parking enforcement conducted by the Portland Bureau of Police.

In conducting the audit, we reviewed budgets, prior audit reports, program records and documents. We reviewed City financial records, state and local regulations, the Bureau of Traffic Management Rules and Procedures Manual, and the Division's internal Procedures Manual and Personnel Work Rules. We interviewed managers and supervisors from Traffic Management, Personnel Services, and Risk Management. In addition, we spoke with the Trial Court Administrator for Multnomah County District Court, and auditors from the Secretary of State's Office and the State Judicial System. We also spoke with representatives from other cities which have performed reviews of their parking enforcement programs.

To determine if internal controls over meter funds were adequate, we observed the collection procedures used by the contractor to collect, record, and deposit meter revenue. We reviewed controls over access to meter keys maintained by the Bureau of Maintenance. We also reviewed actions taken to correct control problems which had occurred several years ago.

To test the accuracy of parking citation revenues received by the City from the Multnomah County District Court, we analyzed data on over 566,600 parking citations issued during 1992 and 1993. However, because the City

of Portland has no jurisdiction over the State Court system, we could not conduct an on-site audit of the internal controls and procedures employed by the Multnomah County District Court to process parking citations. Consequently, we could not fully evaluate the adequacy of cash handling, payment processing, citation dismissals, or the accuracy of computer program processing. In lieu of an on-site audit, the court administrator completed an internal control questionnaire we provided.

To determine if patrol deputies are deployed efficiently and effectively, we reviewed parking patrol beats, scheduling methods, and deputy workload data. We also interviewed patrol supervisors and deputies and observed patrol deputies in the field.

Chapter 2 Audit Results

Controls over Meter Revenues and Collections Are Working as Intended

Our review of the Parking Management Division indicates that parking meter revenues are properly collected, controlled, and accounted for. Adequate controls are in place and operating as intended. We examined the security of parking meter equipment and keys and the adequacy of controls over collection, deposit, and accounting of parking meter revenues.

The Parking Management Division contracts with a private firm to collect, count, process, and deposit meter cash. We reviewed the following procedures and high risk areas to determine the adequacy of controls used by the contractor in securing the City's cash. Procedures appear to be adequate in the following areas:

- accessing meter coins from the meter vault
- mechanical processing for interlocking containers and emptying meter cash into portable containers
- transporting meter cash in secured armored trucks to the contractor's facility for processing
- sorting and counting daily meter collections and accounting and depositing the cash
- monitoring the accuracy and timeliness of contractor cash handling and deposits

The Parking Management Division monitors the contract by reviewing the amount of cash collected daily in each area by the contractor and comparing amounts to prior periods in order to identify any fluctuations in meter funds.

Fluctuations in expected meter revenues may indicate theft or misuse of funds. Variations are scrutinized, and if significant, reported to management. Once the cash is counted and deposited into the City's account, the contractor sends a statement of the day's receipts to the Parking Management Division verifying the money collected and deposited to the City's account.

Due to problems with theft of parking equipment which occurred several years ago, we spoke with the Bureau of Maintenance and Parking Management Division about the physical security of the meter equipment. According to management, new technology and construction practices have addressed the problem. For example, new meters purchased in 1990 make it almost impossible to remove meter canisters without the correct keys. In addition, the equipment poles are cemented rather than fastened into the sidewalk, thereby discouraging theft of the poles.

In addition to determining whether meters were operating accurately, we tested approximately 20 meters with electronic, hand held audit equipment. We also placed marked coins in meters on a random basis in three areas consisting of 339 meters to determine whether cash was being stolen from the meters. All of the marked coins were accounted for during the collection and counting of daily receipts.

We also reviewed the procedures used for repair of meter equipment and made an inventory of the meter keys. Meter keys are maintained by the Bureau of Maintenance and issued only to authorized repair technicians. We found that all meter keys were accounted for with the exception of one key which was on loan to the vendor's district sales manager. Following our suggestion that the missing key be accounted for, the key was returned.

**More Parking Citation
Revenues Can Be
Collected**

As described in the Introduction of this report, the Multnomah County District Court administered by the State of Oregon is responsible for collecting revenues from parking citations issued by the City of Portland's Parking Patrol Division. We were not allowed access to the Court system to perform audit work but requested and received information on the procedures used to handle and process parking citations. The Court also provided a computer data base containing information on over 566,600 parking citations issued by the Parking Patrol Division in 1992 and 1993.

According to materials provided by the Court, after citations are issued by the parking patrol deputies, they are forwarded by the Parking Patrol Division to the Multnomah County District Court, Tag Division, the first working day after being issued. Once received, all citations are entered into the Court's Parking Tag System.

Payments can be made to the District Court by mail or in person. If payment is made in full, the system credits the account, and the account is marked closed. If a partial

payment is received, the account is also updated to show that a partial payment has been made. With partial payments, however, the account remains open. All dismissed citations are authorized by a judge. Dismissed citations are coded by the system as to the reason for the dismissal, and the account is closed manually.

If a citation is not paid within 30 days, the fine is doubled. Currently the Tag Division mails courtesy notices to all vehicles owners with outstanding citations 60 - 90 days after the citations were issued. All vehicles with outstanding citations over 30 days old are placed on a tow list prepared by the Tag Division and signed by the Chief Criminal Judge. This tow list of unpaid citations is updated and provided to the Parking Patrol Division on a bi-weekly basis for use by the deputies in enforcing parking regulations.

Our review of the data base of citations indicates that 286,933 citations were issued in 1992 and 279,694 in 1993. As shown in Table 2, 385,972 (68 percent) of the citations were paid, 8,657 (2 percent) were dismissed, and 171,998 (30 percent) are unpaid.

Total citation revenue generated \$3,396,534 in 1992 and \$3,277,060 in 1993, for a two-year total of \$6,673,594. Unpaid citations and penalties amounted to \$2,145,593 in 1992 and \$2,337,630 in 1993, for a total outstanding unpaid balance of \$4,483,223.

The most frequent parking violation was overtime parking (81.1 percent), followed by loading zone (3.4 percent), over space line (2.5 percent), and no parking anytime/no

Table 2 Status of City of Portland Parking Citations, 1992-1993

	Paid	Dismissed	Unpaid	Total
1992				
Citations	197,825	4,199	84,909	286,933
Amount	\$3,394,144 ⁽¹⁾	\$2,389	\$2,145,108	\$5,541,641
1993				
Citations	188,147	4,458	87,089	279,694
Amount	\$3,275,923	\$1,138	\$2,333,287	\$5,610,348
TOTAL				
Citations	385,972	8,657	171,998	566,627
Amount	\$6,670,067	\$3,527	\$4,478,395	\$11,151,989

SOURCE: Multnomah County District Court parking citation records.

⁽¹⁾ Includes partial payments of \$135,100 and \$154,502 paid during 1992 and 1993 respectively.

stopping (2.3 percent). Sixty-five percent of the citations are paid in 30 days, 11 percent within 60 days, and 24 percent after 60 days.

The most common unpaid citation violation was over-time parking (77 percent), followed by loading zone (3.6 percent), other (3.4 percent), and over space line (2.8 percent). More than 4,060 vehicles had over four separate citations. Out-of-state licenses accounted for 47,212 unpaid citations, and “E” (government) licenses had 330 unpaid citations.

We were told by management that 1,793 vehicles were towed during 1992 and 1993, resulting in fees of \$392,703.

The parking citation collection rate (percent paid out of the total paid and unpaid citations) for the City of Portland was 70.0 percent in 1992 and 68.4 percent in 1993, for a two-year rate of 69.2 percent. This rate appears slightly lower than the average for cities we contacted. In Seattle, Washington; Denver, Colorado; Cincinnati, Ohio; and Sacramento, California, the parking citation collection rate ranged from a high of 80 percent in Seattle, Washington, to a low of 70 percent in Cincinnati, Ohio. If the State District Court were able to increase collections to 80 percent, we estimate the City and State could have shared additional revenue of up to \$995,795 in the two-year period we reviewed.

Full payment of all citation fines may not be a realistic expectation of the program. Managers indicated to us that it was difficult to collect from out-of-state visitors, drivers of rental cars, and violators with few economic resources. However, Multnomah County District Court does not employ collection procedures that appear to be common in the other cities and states we contacted. Some of the following options could be pursued to increase the parking ticket payment rate.

Timely reminders of amounts due

Several cities mail reminder notices to drivers with unpaid citations within 30 days of the violation. The notice lists the date and nature of the violation and indicates that the fine will be increased within a set time period unless the fine is paid. Although the Multnomah County District Court also mails a reminder notice, it is not mailed until 60 to 90 days after the citation is issued.

The Court Administrator told us that lack of funding for mailing costs has affected their ability to consistently mail reminder notices. On one occasion, the City of Portland provided two temporary staff persons to help the court process and mail reminders. The Court Administrator said it is his intention to increase the timeliness of reminder notices to be within a goal of 21 days.

Collection agreements with rental car companies

The City of Portland and the Court have been exploring methods to obtain cooperation from rental car companies to recover parking fines on rental cars.

Stiff fines and penalties on past due amounts

Like Portland, most cities double the fine after a certain period of non-payment, but several cities add collection costs and penalties for non-payment.

Hire private collection agencies

Seattle employs a private collection agency to collect past due parking citations. The agency receives a 35 percent collection fee for the recovery of amounts over 90 days old. The use of collection agencies has become a more common method employed by governments around the country to collect a variety of past due receivables.

Notify credit agencies

The City of Seattle also notifies credit agencies about past due parking citations. The threat of a poor credit rating due to overdue fines may be a good incentive for more prompt and complete payment.

Suspend or decline to renew drivers' licenses and/or car registrations

Cincinnati, Ohio, and Sacramento, California, link drivers' license and car registration renewals to the collection of past due traffic and parking citations. Drivers with overdue fines must pay the fine along with registration and license renewal fees before the renewal is granted.

Deduct past due parking ticket amounts from State income tax refunds

Oregon State Law permits the Department of Revenue to collect debts owed to the State from income tax refunds, but does not authorize deductions for outstanding parking citations owed to the State if the citation is not converted to a judgment. Presently Oregon law permits traffic infraction offenses to be reduced to a judgment if the driver does not appear, but the legislature specifically excluded parking citations from this process. If the law were amended to remove this exclusion, then collection of parking fines owed to the State of Oregon could be accomplished through the State Department of Revenue. In Fiscal Year 1993-94 the District Court collected almost \$800,000 on traffic infraction fines using the State Department of Revenue. Much of this revenue was from traffic infractions in which the driver failed to appear and the Court entered a judgment.

Delegation of collection responsibility to the City

Two of the cities we spoke with are currently administering their own citation processes. The City of Portland and the Multnomah County District Court management have had several discussions over the past several years regarding transferring citation processing and collection but no decisions have been made.

Implementation of a one-time amnesty period for severely past due amounts

Cincinnati implemented a one-time amnesty period so violators could pay past due fines at the original fee without additional penalty. The program produced over \$190,000 in new revenue.

State Laws Restrict Enforcement Efforts

The chief factor limiting the District Court's ability to collect outstanding parking citations is the statutory bar that prevents reducing these citations to a judgment against the registered owner so normal collection practices can be employed. Under current State law, a registered owner may safely ignore a parking citation if the owner is willing to run the risk that the vehicle may be towed. This is a gamble that 30 percent of those issued citations take. Until the registered owner or driver enters a plea of not guilty or pays a citation, the District Court cannot make a judgment on the citation. Without the judgment, the matter is pending and uncollectible except by a warrant to tow the vehicle.

In effect, the parking ticket is a lien against the vehicle, not the driver or registered owner. Consequently, the only rigorous collection tool available is towing and impounding vehicles until the owner pays past due tickets. According to both the District Court Administrator and the City Attorney's Office, State legislation would be needed to make unpaid parking tickets in State Court a personal obligation of the registered owner. A legislative change could provide that after notice to the registered owner and a reasonable opportunity to appear and defend against the citation, a judgment could be entered for the bail amount. Given the significant opportunities for additional revenue

for the City and the State, we believe the Multnomah County District Court and the City should actively seek authorization to employ more effective collection tools.

**Parking Program
Meets Parking
Turnover Goals**

The Parking Program has established patrol districts and scheduled patrol deputies to ensure effective enforcement of parking rules that encourage reasonable turnover of parking spaces in the busy central business district. The Parking Patrol Division has established 16 meter patrol districts or “beats” in downtown Portland. Meters with varying time limits are placed in these districts depending on demand for parking spaces and the relative need for more frequent turnover of available spaces.

We found that the Division has designed patrol beats and located meters appropriately so that busy areas have more meters and patrol deputies than less busy areas. In addition, patrol deputies are scheduled to work patrol districts to ensure they are on duty when most needed to enforce parking rules and improve parking space turnover. Management states that patrol beats are an appropriate size so that a patrol deputy can generally walk or drive the area frequently enough to encourage parkers to obey meter and parking limits.

Division management has set a goal for an appropriate level of parking space turnover at 85 percent in the metered areas and 82 percent in the non-metered areas. Our review of division records shows that approximately 90 percent of the parkers in spaces in the downtown business area leave before or at the time limit of the space. This “turnover rate” is influenced by a number of factors, includ-

ing enforcement efforts, the amount of the parking fines, availability of parking spaces, and placement of meters with varying time limits.

**Deputies Can Better
Use Patrol Time**

Despite the effectiveness of the Division's deployment and scheduling methods, we found several problems that may limit the Division's efficiency and effectiveness. Specifically, deputies do not always use patrol time productively.

Significant variation in patrol deputy productivity and output

Our review of patrol deputy assignments and data on citations written per day of patrol shows significant variation in average output between deputies. Patrol deputies wrote an average of 75 citations per day in 1993, ranging from a high of 84 per day to a low of 68 per day. Some patrol deputies consistently write fewer citations per day regardless of changes in shift or district assignments. While parking turnover is the most important objective of the patrol program, a consistent pattern of under-performance measured by the number of parking tickets issued indicates a potential problem with lack of or selective enforcement of parking rules.

Division management conducts periodic performance evaluations of all parking patrol deputies to assess the quality and quantity of patrol output. Maintaining parking turnover goals and good public relations are the most important performance requirements. However, when citation output is low, supervisors assess factors that may contribute to low output, such as more time spent on checking car licenses for towing or more efforts spent on timing parking

turnover and public relations. When these factors cannot explain low productivity, supervisors walk beats with deputies, review policies, and provide additional training, if necessary. Citation and other performance output averages are also posted so that deputies can see how they compare to others. Management indicates that some deputies have improved performance and others have been disciplined when productivity remains low. According to managers, productivity problems may stem from lack of job variety, boredom, or personal issues.

High rates of sick leave and injury

Average sick leave usage and worker injury rates in the Division exceed city-wide averages. Division employees used an average of 89 hours of sick leave per employee in FY 1992-93 as compared to a city-wide average of 62 sick leave hours per employee. There was also one injury claim per 8 employees in the Parking Patrol Division, whereas there was only one claim per 36 employees citywide. Workers' compensation costs in the Parking Patrol Division are \$15 per \$100 of payroll, compared to a city-wide average of \$2 per \$100. Several deputies have had multiple injuries and significant work loss extending over several years.

To help reduce sick leave use and workers compensation claims, the Division has developed a loss control plan, initiated stretching exercises, and provided a small workout room to help improve physical fitness for deputies. Also, the Division held several health and fitness training sessions. A safety committee was formed and training was given to reduce sick leave and to promote work safety. Management has closely monitored injured workers to help

them rehabilitate and return to work. Additionally, the Division has taken action to discipline several workers for abusing sick leave. According to managers, progress is being made to address high sick leave and injury rates, but the Division has always had higher rates than other City functions. Managers have worked with Personnel to improve testing of physical fitness at the hiring stage but have had limited success with this approach.

Lengthy break time, lunch hours, and administrative time

In accordance with past practices and union agreements, patrol deputies could spend only 4 hours of an 8-hour or 10-hour shift actually on patrol. Deputies were permitted time to walk to and from their districts and to take an average of two 30-minute breaks and an hour non-paid lunch. Many districts are a 10 to 30 minute walk from the office, so more than two hours may be spent outside patrol beats walking to and from the office. Additionally, deputies spent 45 minutes in morning “roll call” and 25 minutes before shift ends to conduct administrative duties such as preparing reports, organizing citations, and sharing information. By contrast, police patrol officers spend 30 minutes in the morning roll call and are on-call during breaks and lunch.

Division management had been concerned for several years about the significant amount of time not available for productive parking patrol. They indicated to us that they raised several of these issues with union representatives and with the City management negotiation team in prior years with little success. However, this year the City and

union representatives have addressed efficiency issues in the parking patrol program during negotiations for the contract which will be effective July 1, 1994. In exchange for some additional compensation, several practices will be discontinued, including mandatory roll calls before and after work, break and lunch travel time, and the four-ten shift.

Long-standing labor and management disagreements and periodic low morale

Both Division managers and deputies told us that the organization has had long-standing morale problems and labor/management disputes that have been difficult to resolve. Although managers indicate that conditions have improved and most employees are satisfied with labor and management relations, they say that some employees continue to be unhappy, suggesting that problems may stem from a few dissatisfied employees. Several deputies told us that managers and supervisors do not value their work, consider their ideas, or provide support and motivation. Some deputies complained of the “us and them” hierarchy between management and patrol deputies.

To help address periodic morale problems in the Division, managers have held staff retreats, hired consultants to conduct team building sessions, and revised training and supervision to give deputies more responsibility and authority for their work. Morning roll calls and staff meetings have been used to discuss problems and disagreements, and additional training and advancement opportunities have been offered to qualified deputies. Managers state

that morale problems may be a condition of the job that is difficult to entirely eliminate due to the repetitious nature of the work. Deputies that walk beats and have low seniority appear to be less satisfied than those who ride scooters or have had more varied job responsibilities.

We believe that Parking Patrol management has taken a number of worthwhile efforts to address problems. These efforts should continue until it can be seen whether they prove successful in improving the effective management of patrol. In addition, we believe the Division should strongly consider changing the way patrol deputies are monitored, supervised, and managed. Specifically, the Division should explore moving from a traditional hierarchial pyramid structure to a more flat organization that employs lead workers in the field to guide teams of deputies in designated districts. The use of lead workers could improve communication between deputies and management, increase field monitoring and problem solving, and improve enforcement and parking turnover by providing more patrol coverage.

Many of the administrative tasks performed by existing supervisors could be assumed by administrative personnel in the Division and the Parking Patrol Manager.

The Division may also wish to test the feasibility of eliminating supervisors to determine whether self-directed teams can effectively accomplish parking patrol objectives. Current management literature and experiments in this City and in State government indicate that self-directed teams can improve work quality, address labor/management conflicts, and produce more satisfied, productive

employees. Although significant planning and training is needed before moving to this type of organization, the Division should consider this model in light of the persistent morale and labor problems.

Chapter 3 Recommendations

- 1. The Office of Transportation should work closely with the Multnomah County District Court and the City Attorney's Office to craft legislation to authorize the Court to pursue more effective collection efforts.***
- 2. The City Council with the assistance of the City's Intergovernmental Affairs Office should urge appropriate State legislative committees to pass legislation authorizing the Court to pursue various collection efforts.***
- 3. The Multnomah County State District Court should offer a one-time amnesty period to recover a portion of the \$4.4 million in overdue parking citations.***

During the amnesty period, people with citations would be allowed to pay a portion of what is owed or the face value of the original tickets and have their records cleared.

- 4. The City Council and the Office of Transportation should explore the feasibility of the City's assuming responsibility for parking citation collection and adjudication.**

Transfer of authority to the City of Portland would require a change in existing State law that gives authority to the State Court system. In addition, a system for adjudication would need to be established.

- 5. The Office of Transportation should work with the State District Court to obtain more complete and timely information on the status of parking citations.**

Better management information on the status of parking citations should help the Parking Patrol Program make improvements in deputy schedules, performance assessments, and financial planning.

- 6. The Parking Program should continue to explore opportunities to improve the availability of productive patrol deputy time.**

- In addition to recent changes in the union contract, the program should request a detailed health and safety evaluation from the Division of Risk Management.
- Program management should also ensure that job duties and performance expectations are clearly communicated to patrol deputies.

-
- Management should continue to review program and staff performance in meeting objectives.
 - The Program should explore options to vary and enrich the job of patrol deputies. For example, the Program should consider changing current supervision practices by creating self-directed teams of deputies to plan and carry-out patrol work. Additionally, job variety might be improved by rotating walking and driving beats, or employing bicycles or three wheelers at the discretion of deputies.

7. *The Office of Transportation should evaluate the effectiveness of the Parking Patrol activity by comparing costs to private vendors or by competitively bidding the activity when it expands to other areas of the City.*

Responses to the Audit



CITY OF
PORTLAND, OREGON

DEPARTMENT OF PUBLIC WORKS

Earl Blumenauer, Commissioner
1220 S.W. 5th Avenue, Room 407
Portland, Oregon 97204
(503) 823-3589
Fax (503) 823-3596

July 11, 1994

TO: Barbara Clark, City Auditor

FROM: Earl Blumenauer, Commissioner
of Public Works *Earl Blumenauer*

RE: STREET PARKING PROGRAM AUDIT

I appreciate the opportunity to respond to the recommendations of the City's Street Parking Program Audit. I am particularly pleased that you have found that sufficient controls are in place and working as intended to ensure that parking meter cash is properly collected, controlled and accounted for.

The Office of Transportation (PDOT) staff and I believe that you have captured the following key issues that currently limit both the collection of parking citation fines and the City's ability to obtain management information. In summary:

- o Many of the necessary changes to further enhance the collection of parking fines require changes in state legislation.
- o Some of these same legislative changes also require that the State Department of Motor Vehicles and the District Court install new computer systems.
- o All State monies collected from parking fines go directly to the State General Fund and are not dedicated to the Court's administration of parking regulations.
- o Some management and revenue reports considered necessary by the City cannot be supplied by District Court due to lack of available funding.
- o Lack of funding has also affected the Court's ability to consistently mail reminder notices for unpaid parking citations.

I will also address each recommendation in turn:

1. The Office of Transportation should work closely with the Multnomah County District Court and the City Attorney's Office to craft legislation to authorize the Court to pursue more effective collection efforts.

We have had several discussions with District Court over the past eight years in an attempt to streamline collections. The involvement and support of the State Department of Motor Vehicles is key to our efforts. We have pursued a proposal

to authorize DMV to require payment of outstanding parking citations prior to the renewal of a driver's license or state identification card, or vehicle license registration. DMV's current computer system prohibits them from supporting the proposal. However, DMV is implementing a new computer system, and when the work is completed we will again seek to address this issue. Further, we continue to work with the Courts in efforts to collect on citations which are generated by rental cars in the City. In this effort, we are jointly exploring using collection agencies, Department of Revenue and notification of credit agencies for all unpaid fines.

2. The City Council with the assistance of the City's Intergovernmental Affairs Office should urge appropriate State legislative committees to pass legislation authorizing the Court to pursue various collection efforts.

I will continue to work with the District Court to pursue efforts to improve collection activities. I will urge the City Council to support those efforts as well.

3. The Multnomah County State District Court should offer a one-time amnesty period to recover a portion of the \$4.4 million in overdue parking citations.

We encourage the Courts to explore the option of a one-time amnesty in addition to all of the above described collection enhancements. We would be happy to provide the Court with information regarding the experiences of other jurisdictions with this approach.

4. The City Council and the Office of Transportation should explore the feasibility of the City assuming responsibility for parking citation collection and adjudication.

City staff have met with District Court officials several times to discuss this. We have also prepared cost/benefit analysis of such an action. In the past, the proposal appeared problematic because implementation of the proposal would result in the State losing General Fund revenue. While any proposal which reduces State General Fund revenues is controversial, we will continue to examine this option.

5. The Office of Transportation should work with the State District Court to obtain more complete and timely information on the status of parking citations.

As these reports are essential to management of the City Parking Program and we are currently duplicating the Court's data entry efforts in order for us to maintain productivity information. We will continue to actively work with the Courts and the implementation of their new computer system in order to obtain these documents.

6. The Parking Program should continue to explore opportunities to improve the availability of productive patrol deputy time.

As stated in your report, we believe that the most recent negotiations with AFSCME Local 189 will provide significant efficiencies. We believe that they address the issues of non-productive time, while creating many new job enhancements for patrol personnel, and strengthening the Management/Union commitment to work as a team toward an efficient and effective Division. These commitments have led to the formation of working groups that are currently discussing on-street enforcement practices and alternative enforcement vehicles, and have created working groups to create specific programs such as bicycle enforcement.

7. The Office of Transportation should evaluate the effectiveness of the Parking Patrol activity by comparing costs to private vendors or by competitively bidding the activity when it expands to other areas of the City.

We routinely evaluate activities by comparing costs to private vendors. This led to the collection of coins from the parking meters being provided by Oregon Armored Services. Most recently, we are considering a proposal by a private vendor to provide all of the abandoned automobile services. It appears premature because we have just recently transferred the program from the Bureau of Buildings, and successfully integrated it with Parking Patrol. I am concerned about the policy implications of contracting for "enforcement" activities. However, be assured that we will continue to examine all ideas for gaining efficiencies.

Again, I appreciate the opportunity to comment on this report. I believe your comments and recommendations provide valuable insights as we continue our efforts to improve the Parking Program.



**CIRCUIT COURT OF THE STATE OF OREGON
DISTRICT COURT OF THE STATE OF OREGON**

for MULTNOMAH COUNTY
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DOUGLAS M. BRAY
COURT ADMINISTRATOR

July 8, 1994

MEMORANDUM

TO: Barbara Clark
City Auditor

FROM: Douglas M. Bray
Trial Court Administrator

RE: Street Parking Program Audit

I appreciate the opportunity to respond to the Street Parking Program Audit. The audit fairly presents the current state of the Court's parking citation case management functions. It is important, however, to emphasize the following issues:

1. Under both Oregon law and the Portland City Code the registered owner of the vehicle has the duty to appear and defend on a parking citation, but there is no way to compel an appearance except by towing the vehicle. As the audit shows, towing is not an efficient collection mechanism.

The collecting of additional parking citation fines from the 30 percent of the public who fail to respond to the original citation or the notice mailed by the court requires changes in Oregon law to permit either the conversion of an outstanding parking citation to a judgment against the registered owner of the vehicle or to make the citation a bar to renewal of a vehicle's registration with Motor Vehicle Division.

If an outstanding parking citation can be converted to a judgment, as is now the case for traffic infraction offenses, see ORS 153.555 (2) and (3), collection action can be taken through the State Department of Revenue and private collection agencies.

If an outstanding parking citation can be linked to a motor vehicle's registration, and satisfaction of the citation made a pre-condition to registration renewal, then, at least every two years, owners would be required to come into court and appear on their outstanding citations. Once in court, the owner could plead not guilty and request a trial or plead guilty, have the court impose judgment, and make arrangements for payment of the fine.

2. As the audit states, it is the Court's plan to increase the timeliness of parking citation notices to 21 days from the date of the citation. This requires considerable additional expense, but is an appropriate service to the public. Many registered owners of vehicles have no knowledge that a driver of the registered owner's vehicle received a parking citation. Notices mailed within 21 days of the citation will give the registered owner actual knowledge before the citation doubles that there is a citation against the vehicle. The owner may then take steps to appear on the citation before there are added penalties.
3. The split between the City of Portland and the State of Oregon of fines on parking citations exactly mirrors the revenue distribution which occurs on all traffic offenses. This distribution was intended when the City elected to abolish its Municipal Court in 1971 and to pass all costs related thereto for judges, prosecutors, and indigent defense to the County and the State.
4. The Court and the Office of Transportation have a sound and cooperative working arrangement. It has similar working relationships with the other six jurisdictions that file their parking citations with the court.
5. The audit fails to compare bail levels between the various jurisdictions consulted. The Court's bail levels start at \$12 and double after 30 days to \$24. These are very stiff fines for overtime parking.
6. The Court is in the process of converting to a new case management system for parking citations. The Oregon Judicial Information Network is used in all circuit and district courts in this State. With modifications for the unique features of parking citations (particularly the need to have registered owner information from Motor Vehicles Division on a daily basis) it is expected that all of the City's needs for management information can be met.

Thank you for sharing the audit information. The Court is committed to improve its exercise of responsibility relating to parking citations for all the municipalities it serves.

DMB:lms

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